

BEFORE THE  
POSTAL REGULATORY COMMISSION  
WASHINGTON, D.C. 20268-0001

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*In the Matter of:*  
Oak Hill Post Office  
Oak Hill, Alabama 36766

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Docket No. A2011-97

UNITED STATES POSTAL SERVICE  
COMMENTS REGARDING APPEAL  
(November 22, 2011)

On September 28, 2011, the Postal Regulatory Commission (Commission) received a petition for review postmarked September 19, 2011, from the David Fuller, John Dale, and Juliette Fuller on behalf of the patrons of the Oak Hill Post Office ("Petitioners"), objecting to the discontinuance of the Post Office in Oak Hill, Alabama. On November 2, 2011, the Commission received a petition signed by 33 customers of the Oak Hill Post Office objecting to the discontinuance of the facility. On September 30, 2011, the Commission issued Order No. 890, its Notice and Order Accepting Appeal and Establishing Procedural Schedule under 39 U.S.C. § 404(d). Petitioners filed a Participant Statement in support of the petition on November 3, 2011. In accordance with Order No. 890, the administrative record was filed with the Commission on October 13, 2011.

The appeal and the Participant Statement raise four issues: (1) the impact on the provision of postal services, (2) the impact upon the Oak Hill community, (3) the calculation of economic savings expected to result from discontinuing the Oak Hill Post Office, and (4) procedural issues. As reflected in the administrative record of this proceeding, the Postal Service gave each of the first three issues serious consideration, and the Postal Service addresses concerns about procedures. In addition, consistent

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with the Postal Service's statutory obligations and Commission precedent,<sup>1</sup> the Postal Service gave consideration to a number of other issues, including the impact on employees. Accordingly, the determination to discontinue the Oak Hill Post Office should be affirmed.

### **Background**

The Final Determination To Close the Oak Hill Post Office and Continue to Provide Service by Independent Post Office ("Final Determination" or "FD"),<sup>2</sup> as well as the administrative record, indicate that the Oak Hill Post Office provides EAS-55 level service to 66 post office boxes (no delivery customers) from 8:30 a.m. to 1:45 p.m., Monday through Friday, and 8:30 a.m. to 1:45 p.m. Saturdays, with a 24-hour lobby Monday through Saturday.<sup>3</sup> The Postmaster of the Oak Hill Post Office retired on November 1, 2010. Since the Postmaster vacancy, an officer-in-charge ("OIC") has been installed to operate the office. The noncareer postmaster relief ("PMR"), serving as the OIC, may be separated from the Postal Service, although attempts will be made to reassign the OIC to a nearby facility.<sup>4</sup> The average number of daily retail window transactions at the Oak Hill Post Office is 31, accounting for 29 minutes of workload daily. Revenue has declined since 2008: \$18,410 (48 revenue units) in FY 2008; \$20,028 (52 revenue units) in FY 2009; and \$12,890 (34 revenue units) in FY 2010.<sup>5</sup>

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<sup>1</sup> See 39 U.S.C. 404(d)(2)(A).

<sup>2</sup> The Final Determination can be found at Item 47 in the Administrative Record. All citations to the Final Determination will be to "FD at \_\_\_\_," rather than to Item 47. The FD page number refers to the pages as marked on the upper right of the document. Other items in the administrative record are referred to as "Item \_\_\_\_."

<sup>3</sup> FD at 2; Item No. 9, Workload Service Credit Worksheet; Item No. 15, Post Office Survey; Item No. 18, (Form 4920) Post Office Closing or Consolidation Proposal Fact Sheet ("Post Office Fact Sheet"); Item No. 33, Proposal to Close the Oak Hill, AL Post Office and Continue to Provide Service by Independent Post Office ("Proposal"), at 2, 13.

<sup>4</sup> FD at 2, 12, 13; Item No. 18, Post Office Fact Sheet; Item No. 21, Letter to Postal Customer from Manager, Post Office Operations ("Letter to Customer"), at 1; Item No. 33, Proposal, at 2 13.

<sup>5</sup> FD at 2; Item No. 18, Post Office Fact Sheet; Item No. 33, Proposal, at 2.

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Upon implementation of the Final Determination, delivery and retail services will be provided by the Pine Apple Post Office, an EAS-13 level office located seven miles away, which has 83 available Post Office Boxes.<sup>6</sup> This service will continue upon implementation of the Final Determination.<sup>7</sup>

The Postal Service followed the proper procedures that led to the posting of the Final Determination.<sup>8</sup> All issues raised by the customers of the Oak Hill Post Office were considered and properly addressed by the Postal Service. The Postal Service complied with all notice requirements. In addition to the posting of the Proposal and Final Determination, customers received notice through other means. Questionnaires were distributed to all Post Office Box customers of the Oak Hill Post Office. Questionnaires were also available over the counter for retail customers at Oak Hill.<sup>9</sup> A letter from the Manager of Post Office Operations, Birmingham, Alabama, was also made available to postal customers, which advised customers that the Postal Service was evaluating whether the continued operation of the Oak Hill Post Office was warranted, and that effective and regular service would be provided by independent post office under the administrative responsibility of the Pine Apple Post Office. Customers were also advised that retail services would also be available at the McWilliams Post Office.<sup>10</sup> The letter invited customers to complete and return a customer questionnaire and to express their opinions about the service that they were receiving

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<sup>6</sup>FD at 2; Item No. 18, Post Office Fact Sheet; Item No. 33, Proposal, at 2.

<sup>7</sup>FD at 2; Item No. 33, Proposal, at 2.

<sup>8</sup>The Petitioner acknowledges that the Postal Service carefully followed the proper closing procedures. See appeal.

<sup>9</sup>FD at 2; Item No. 20, Questionnaire Instruction Letter from P.O. Review Coordinator to OIC/Postmaster at Oak Hill Post Office; Item No. 33, Proposal, at 2.

<sup>10</sup> At the time of the Final Determination, this was a true statement. The McWilliams Post Office was closed, however, on November 18, 2011. See Item No. 52, Memo to File.

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and the effects of closing the Oak Hill Post Office.<sup>11</sup> Sixty-four (64) customers returned questionnaires, and the Postal Service responded.<sup>12</sup> In addition, representatives from the Postal Service were available at the Oak Hill Post Office, on March 16, 2011, to answer questions and provide information to customers—a fact that was mentioned in the letter to customers. Seventy-one customers attended.<sup>13</sup> Customers received formal notice of the Proposal and Final Determination through postings at nearby facilities. The Proposal was posted with an invitation for public comment at the Oak Hill Post Office for 60 days beginning April 11, 2011 and ending June 12, 2011.<sup>14</sup>

Sixty-four customers returned questionnaires/comments in response to the “Invitation for Comments,” after the Proposal was posted.<sup>15</sup> The Postal Service addressed those concerns in letters to the customers.<sup>16</sup> The Final Determination was posted at the Oak Hill Post Office beginning on August 22, 2011 and ending September 23, 2011, as confirmed by the round-dated Final Determination cover sheet that appears in the administrative record as Item No. 49, and the Postal Bulletin Post Office Change Announcement, Item No. 50.<sup>17</sup>

<sup>11</sup>Item No. 21, Letter to Customer, at 1; Item No.23, Customer Questionnaire Analysis, at 1.

<sup>12</sup>FD at 2; Item No. 22, Returned customer questionnaires and Postal Service response letters.

<sup>13</sup>FD at 2; Item No. 21, Letter to Customer, at 1; Item No. 24; Community Meeting Roster; Item No. 25, Community Meeting Analysis; Item No. 33, Proposal, at 2.

<sup>14</sup>FD at 2; Item No. 36, Round-date Stamped Proposals.

<sup>15</sup>Item No. 38, Customer Comments and USPS Response Letters; Item No.40, Analysis of Comments.

<sup>16</sup>Item No. 38, Customer Comments and USPS Response Letters.

<sup>17</sup> The Final Determination indicated that copies of all materials upon which the final determination was based were being made available for public inspection at the Oak Hill Post Office, Mc Williams, AL Post Office and Pine Apple, AL Post Office during normal office hours. However, the Final Determination was posted only in the Oak Hill Post Office on August 22, 2011, and not in the other offices. As explained in Item No. 52, the Final Determination will be posted in Pine Apple Post Office beginning on December 14, 2011. As the McWilliams Post Office closed on November 18, 2011, the Final Determination will not be posted in that office. Counsel will ensure that all materials related to this appeal are available at the Pine Apple Office as well.

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In light of a Postmaster vacancy; minimal workload; low and decreasing office revenue;<sup>18</sup> the variety of delivery and retail options, including the convenience of rural delivery and retail service;<sup>19</sup> no projected population, residential, commercial, or business growth in the area;<sup>20</sup> minimal impact upon the community; and the expected financial savings,<sup>21</sup> the Postal Service issued the Final Determination.<sup>22</sup> Regular and effective postal services will continue to be provided to the Oak Hill community in a cost-effective manner upon implementation of the final determination.<sup>23</sup>

Each of the issues raised by the Petitioners is addressed in the paragraphs which follow.

### **Effect on Postal Services**

Consistent with the mandate in 39 U.S.C. § 404(d)(2)(A)(iii) and as addressed throughout the administrative record, the Postal Service considered the effect of closing the Oak Hill Post Office on postal services provided to Oak Hill customers. The closing is premised upon providing regular and effective postal services to Oak Hill customers.

The Petitioners raise the issue of the effect on postal services of the Oak Hill Post Office's closing, noting the convenience of the Oak Hill Post Office and requesting its retention. Petitioners contend that the community consists of low-income and low-literacy level residents that require assistance with postal transactions and mail, currently provided by the Oak Hill Post Office. In addition, Petitioners note that several residents do not have access to transportation, making it difficult to travel to another

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<sup>18</sup> See note 5 and accompanying text.

<sup>19</sup> FD at 2 - 12; Item No. 33, Proposal, at 2 - 12.

<sup>20</sup> Item No. 16, Community Survey Sheet.

<sup>21</sup> FD at 12, 11; Item No. 18, Post Office Fact Sheet; Item No. 29, Proposal Checklist, at 2; Item No. 33, Proposal, at 13.

<sup>22</sup> FD at 13.

<sup>23</sup> FD at 2.

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Post Office. See appeal and Participant Statement. Here, the Postal Service explained that rural carriers can perform many functions that will avert the need to go to the Post Office to conduct most transactions. In addition, the Postal Service explained that upon request, it provides special provisions for hardship cases or special needs customers. FD at 3, 4, 5, 6, 7, 8, 9, 10, 11, 12; Item No. 22, Returned Optional Comment Forms and USPS Response letters, at 1, 5, 6, 10, 12, 13, 14, 16, 17, 25, 32, 38, 40, 48, 59; Item. No. 23, Customer Questionnaire Analysis, at 2, 3; Item No. 25, Community Meeting Analysis, at 1, 2, 3; Item No. 33, Proposal, at 3, 4, 5, 6, 7, 8, 9, 11, 12; Item No. 38, Customer Comments and USPS Response Letters, at 1, 3, 4, 5, 6, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19; Item No. 40, Analysis of Comments, at 1, 2, 3.

Further, P.O. Boxes and other postal services will be available at the Pine Apple Post Office, which is seven miles away. The window service hours of the Pine Apple Post Office are from 8:00 a.m. to 3:00 p.m., Monday through Friday, and from 8:00 a.m. to 10:30 p.m. on Saturdays. The Postal Service explained that the special attention and assistance provided by the personnel at the Oak Hill Post Office will be provided by personnel at the Pine Apple Post Office and from the carrier. FD at 3, 4, 5, 8; Item No. 22, Returned Optional Comment Forms and USPS Response letters, at 29, 33, 34, 58, 64; Item No. 23, Customer Questionnaire Analysis, at 2; Item No. 33, Proposal, at 2, 3, 4, 5, 6; Item No. 38, Customer Comments and USPS Response Letters, at 11, 12, 18; Item No. 40, Analysis of Comments, at 1, 2. With the exception of P.O. Box customers or situations in which customers need to retrieve a package that did not fit in a roadside box and is not eligible to be placed somewhere safely in their home (such as on a porch or under a carport), the choice of Pine Apple Post Office over any other Post Office does not have a large impact. As explained throughout the administrative record,

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carriers can perform many functions (at the same time that the carrier delivers the mail) that will avert the need to go to any Post Office, Pine Apple or otherwise, or even having to interact with a carrier for most postal transactions.

Petitioners also express concern for senior citizens and the disabled. The Postal Service explained that carrier service is especially beneficial to many senior citizens and those who face special challenges because the carrier can provide delivery and retail services to roadside mailboxes or cluster box units. FD at 3, 5, 6, 7, 8; Item 22, Returned Optional Comment Forms and USPS Response letters, at 1, 12, 13, 48; Item No. 23, Customer Questionnaire Analysis, at 2; Item No. 25, Community Meeting Analysis, at 1; Item No. 33, Proposal, at 3, 4, 5, 6, 7, 8, 12; Item No. 40, Analysis of Comments, at 1, 2, 3. Customers do not have to make a special trip to the Post Office for service. Stamps by Mail and Money Order Application forms are available for customer convenience, and stamps are also available at many stores and gas stations, online at [usps.com](http://usps.com), or by calling 1-800-STAMP-24. FD at 3, 4, 5, 6, 7, 8, 9, 10, 12; Item No. 22, Returned Optional Comment Forms and USPS Response letters, at 5, 6, 10, 14, 16, 17, 25, 32, 38, 40, 59 ; Item No. 23, Customer Questionnaire Analysis, at 3; Item No. 25, Community Meeting Analysis, at 1, 2, 3; Item No. 33, Proposal, at 3, 4, 5, 6, 7, 8, 9, 12; Item No. 38, Customer Comments and USPS Response Letters, at 1, 4, 5, 11, 12, 14, 15, 16; Item No. 40, Analysis of Comments, at 1, 2, 3. Customers can also request special services, such as certified, registered, or Express Mail, delivery confirmation, signature confirmation, and COD from the carrier. Customers who desire such special services may leave a note in their box instructing the carrier to sound the horn and then meet the carrier to receive the services, or may leave a note with payment and the carrier will leave a receipt the next day. FD at 4, 9; Item No. 33,

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Proposal, at 5; Item No. 38, Customer Comments and USPS Response Letters, at 9; Item No. 40, Analysis of Comments, at 1.

Further, most transactions do not require meeting the carrier at the mailbox. FD at 3, 4, 5, 6, 7, 8, 9, 10, 12; Item No. 22, Returned Optional Comment Forms and USPS Response letters, at 5, 6, 10, 14, 16, 17, 25, 32, 38, 40, 59; Item. No. 23, Customer Questionnaire Analysis, at 3; Item No. 25, Community Meeting Analysis, at 1, 2, 3; Item No. 33, Proposal, at 3, 4, 5, 6, 7, 8, 9, 12; Item No. 38, Customer Comments and USPS Response Letters, at 1, 4, 5, 11, 12, 14, 15, 16; Item No. 40, Analysis of Comments, at 1, 2, 3. Special provisions are made, on request, for hardship cases or special customer needs. Supra.

Petitioners also raise the issue of security, noting that a Post Office offers the most security. Petitioners argue that the community has growing incidents of theft linked to guns and drugs. See appeal. With respect to the Petitioners' concerns about mail security, the Postal Service advised customers that they may place a lock on their mailboxes. The mailbox must have a slot large enough to accommodate the customer's normal daily mail volume. FD at 3, 4, 5, 6, 8; Item No. 22, Returned Optional Comment Forms and USPS Response letters, at 37; Item. No. 23, Customer Questionnaire Analysis, at 2; Item No. 25, Community Meeting Analysis, at 1, 2; Item No. 33, Proposal, at 3, 4, 5, 6, 7, 8; Item No. 38, Customer Comments and USPS Response Letters, at 3, 8, 18; Item No. 40, Analysis of Comments, at 1, 2. The Postal Service also sent a questionnaire to the Postal Inspection Service concerning mail theft and vandalism in the Post Office area. That agency's records indicate that there has not been any report of mail theft or vandalism in the area. FD at 9; Item 14, Inspection Service Vandalism Report; Item No. 33, Proposal, at 9.



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Moreover, while not directly addressed in the record, the Postal Service notes that safety of customer access is routinely considered in connection with curbside delivery. Specifically, Postal Operations Manual § 631.32 provides that “[d]elivery may be provided to boxes at the curb so they can be safely and conveniently served by the carrier from the carrier’s vehicle, and so that customers have reasonable and safe access. Mail receptacles may be grouped, two to a property line where possible.” The Postal Service also noted that a Village Post Office (VPO) may be of interest to the community of Oak Hill since they are set up in local businesses in the community and would provide the same services that the Oak Hill Post Office currently provides. FD at 3, 4, 5, 6, 7, 11; Item No. 33, Proposal, at 4, 5, 6, 7, 8, 11, 12; Item No. 38, Customer Comments and USPS Response Letters, at 3, 4, 6, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 19; Item No. 40, Analysis of Comments, at 1, 2, 3.

Petitioners also raise concerns about purchase of money orders. See appeal and Participant Statement. Petitioner notes that “[a] major function [of the Post Office] is sale of money orders for low-income people who do not have bank accounts and no transportation to get to another post office.... They walk in and often receive help in filling out forms and mailing their bill payments.” See appeal. Petitioners acknowledge that the Postal Service offers special services upon request and that many individuals in the community—elderly and disabled—would be requiring such services. See Participant Statement. The Postal Service maintains that customer convenience may be enhanced upon implementation of the Final Determination because the provision of rural carrier service will alleviate the need for customers to travel to the Post Office for many retail services and will provide them with 24-hour access to their mail. The Postal Service has informed the Petitioner and others that customers may purchase money

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orders by meeting the carrier at the mailbox, completing an application (which can be provided by the carrier), and paying the carrier the price of the money order, plus the fee. The carrier gives the customer a receipt for the application, completes the money order upon his or her return to the Post Office, and leaves a money order receipt in the customer's mailbox on the next delivery day. Customers can provide the carrier with a stamped, self-addressed envelope in which the completed money order is mailed to its destination, and can request return of completed money orders for verification on the next delivery day. FD at 10; Item No. 25, Community Meeting Analysis, at 2; Item No. 33, Proposal, at 7, 10; Item No. 38, Customer Comments and USPS Response Letters, at 5; Item No. 40, Analysis of Comments, at 2. As described above, customers can leave a note for carriers to sound the horn upon arrival if they prefer to conduct financial transactions in person. FD at 4, 9; Item No. 33, Proposal, 5; Item No. 38, Customer Comments and USPS Response Letters, at 9.

Thus, the Postal Service has properly concluded that all Oak Hill customers will continue to receive regular and effective service via rural route service.

### **Effect Upon the Oak Hill Community**

The Postal Service is obligated to consider the effect of its decision to close the Oak Hill Post Office upon the Oak Hill community. 39 U.S.C. § 404(d)(2)(A)(i). While the primary purpose of the Postal Service is to provide postal services, the statute recognizes the substantial role in community affairs often played by local Post Offices, and requires consideration of that role whenever the Postal Service proposes to discontinue a Post Office.

Oak Hill is a community located in Wilcox County. It is administered politically by Oak Hill. The Wilcox County Sheriff's Department provides police protection, and fire

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protection is provided by the Oak Hill Volunteer Fire Department. FD at 11; Item No. 16, Community Survey Fact Sheet; Item No. 33, Proposal, at 11. The questionnaires completed by Oak Hill customers indicate that, in general, the retirees, farmers, commuters, and others who reside in Oak Hill must travel elsewhere for other supplies and services. See *generally*, FD at 11; Item No. 22, Returned customer questionnaires and Postal Service response letters; Item No. 33, Proposal, at 11. The town has two businesses and two churches. FD at 11; Item No. 18, Post Office Fact Sheet; Item No. 33, Proposal, at 11.

The Petitioners' appeal and Participant Statement raise the issue of the effect of closing the Oak Hill Post Office upon the Oak Hill community. More specifically, Petitioners contend that closing the Oak Hill Post Office would hurt the community. The Postal Service is cognizant of the importance of the Oak Hill Post Office to members of the community and extensively considered those issues, as reflected in the administrative record. FD at 4, 6, 11, 12; Item No. 33, Proposal, at 5, 7, 12; Item No. 38, Customer Comments and USPS Response Letters, at 10, 13, 19; Item No. 40, Analysis of Comments, at 1, 2, 3.

For example, a number of customers had commented that the community might lose its identity in the absence of the Oak Hill Post Office. In response, the Postal Service explained that a community's identity derives from the interest and vitality of its residents and their use of its name; and that Oak Hill customers would be able to retain the Oak Hill name and ZIP Code in addresses. FD at 7; Item No. 22, Returned customer questionnaires and Postal Service response letters, at 8, 11, 18, 41; Item No. 23, Customer Questionnaire Analysis, at 2; Item No. 25, Community Meeting Analysis, at 2; Item No. 33, Proposal, at 2. Only customers who elect to close their P.O. Boxes

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will be required to change their address. FD at 4, 6; Item No. 33, Proposal, at 5, 7; Item No. 38, Customer Comments and USPS Response Letters, at 10; No. 40, Analysis of Comments, at 3. Additionally, the Postal Service noted that residents may continue to meet informally, socialize, and share information at other businesses, churches, and residences in town. FD at 3; Item No. 33, Proposal, at 4; Item No. 38, Customer Comments and USPS Response Letters, at 6; Item No. 40, Analysis of Comments, at 1.

Communities generally require regular and effective postal services and these will continue to be provided to the Oak Hill community. The Pine Apple Post Office is expected to be able to handle any future growth in the community. FD at 11, 13; Item No. 33, Proposal, at 11, 13. In addition, the Postal Service has concluded that nonpostal services provided by the Oak Hill Post Office can be provided by the Pine Apple Post Office. Government forms usually provided by the Post Office are also available by contacting local government agencies. FD at 11; Item No. 33, Proposal, at 11. Personnel at the Pine Apple Post Office will provide courteous and helpful service, as well as special assistance as needed. FD at 3, 4, 5, 8; Item No. 22, Returned Optional Comment Forms and USPS Response letters, at 29, 33, 34, 58, 64; Item No. 23, Customer Questionnaire Analysis, at 2; Item No. 33, Proposal, at 2, 3, 4, 5, 6; Item No. 38, Customer Comments and USPS Response Letters, at 11, 12, 18; Item No. 40, Analysis of Comments, at 1, 2.

Thus, the Postal Service has met its burden, as set forth in 39 U.S.C. § 404(d)(2)(A)(i), by considering the effect of closing the Oak Hill Post Office on the community served by the Oak Hill Post Office.

### **Economic Savings**

Postal officials also properly considered the economic savings that would result from the proposed closing, as provided under 39 U.S.C. § 404(d)(2)(A)(iv). The Postal Service estimates that delivery and retail services provided by the Pine Apple Post Office would cost the Postal Service substantially less than maintaining the Oak Hill Post Office and would still provide regular and effective service. Item No. 21, Letter to Postal Customer. The estimated annual savings associated with discontinuing the Oak Hill Post Office are \$37,805. FD at 12; Item No. 29, Proposal Checklist, at 2; Item No. 33, Proposal, at 13. Economic factors are one of several factors that the Postal Service considered, and economic savings have been calculated as required for discontinuance studies, which is noted throughout the administrative record and consistent with the mandate in 39 U.S.C. § 404(d)(2)(A)(iv). FD at 12; Item No. 29, Proposal Checklist, at 2; Item No. 33, Proposal, at 13.

The Petitioners have offered other cost savings options available to the Postal Service, other than closing the Oak Hill Post Office. Petitioners suggest reducing work hours or operating five days a week instead of six and examining other Post Offices. See appeal and Participant Statement. Here, the Postal Service explained that work hours are determined by workload, and in the case of the Oak Hill Post Office, the workload supports the decision to close the Oak Hill Post Office. FD at 2; Item No. 33, Proposal, at 2, 3; Item No. 38, Customer Comments and USPS Response Letters, at 9; Item No. 40, Analysis of Comments, at 1.<sup>24</sup> The Petitioners also suggest that the current Oak Hill Post Office building owners are willing to reduce the Postal Service's lease payment from \$4,000 per month to \$1,000. As reflected in the Proposal, the

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<sup>24</sup>See note 5 and accompanying text.

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annual lease cost (\$3,650) is far less than the annual labor cost (\$34,155). See Item No. 33 at 13. Thus, even if the lease costs were reduced, the impact on the savings would not be substantial.

The Postal Service appreciates these suggestions, but does not believe that they warrant a different outcome. Postal management has broad experience with and has considered similar options; and the Postal Service has determined that delivery and retail services by the Pine Apple Post Office is a more effective solution for providing regular and effective service to the Oak Hill. The Postal Service's approach is both defensible and reasonable, and is efficient while adding comparability across discontinuance studies.

Petitioners also state that closing the facility will have a small impact on the Postal Service's budget. While the sums involved here may seem insignificant to Petitioner, it is significant to the overall costs of the Postal Service. The Postal Service is looking at all opportunities to operate efficiently and provide effective and regular service. While the savings from any given initiative may seem small, these savings can make a difference when added together.

Petitioners also state that the lease is effective January 1, 2012, for a five-year term and is irrevocable. Petitioners seem to question whether the economic savings included an amount to settle the lease. The administrative record reflects that the lease expires on September 30, 2012;<sup>25</sup> and the lease terms do not contain a 30-day cancellation clause.<sup>26</sup> Nevertheless, excluding the annual lease savings would not

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<sup>25</sup>Item No. 18, Post Office Fact Sheet.

<sup>26</sup>Item No. 15, Post Office Survey Sheet.

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affect the savings calculation significantly (\$34,155 per year instead of \$37,805) for the first year.

The Postal Service has determined that delivery and retail services by independent post office under the administrative responsibility of the Pine Apple Post Office is the most effective solution for providing regular and effective service to the Oak Hill community. FD at 13. The Postal Service's estimates are supported by record evidence, in accordance with the Postal Service's statutory obligations. Thus, the Postal Service has considered the economic savings to the Postal Service resulting from such a closing, consistent with its statutory obligations and Commission precedent. See 39 U.S.C. § 404(d)(2)(A)(iv).

Therefore, in making the determination, the Postal Service considered the effect of the closing on the employees at the Oak Hill Post Office, consistent with its statutory obligations. See 39 U.S.C. § 404(d)(2)(A)(ii).

#### **Other Matters: Procedural Issues**

Petitioners also allege that the Postal Service's decision to close the Oak Hill Post Office is arbitrary and capricious, noting that its responses were standardized and in some cases cited the wrong Post Offices—Huxford and Atmore—instead of Oak Hill and Pine Apple. See Participant Statement. While it is true that some of the Postal Service's responses inadvertently referenced the Huxford and Atmore Post Offices,<sup>27</sup> the information provided therein—quick, convenient service, from nice and friendly employees at the Atmore Post Office and our other post offices—is also accurate as to

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<sup>27</sup>Item No. 22, Returned customer questionnaires and Postal Service response letters, at 29, 33, 34, 58, 64.

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the quality of the services Oak Hill residents will receive from the Pine Apple Post Office or other post offices.

In addition, the administrative record reflects that while some answers may be “standard” to the extent that these questions have been posed in other discontinuance dockets, the answers provided are responsive to the concerns raised. Moreover, the Postal Service notes that the record in this proceeding is thorough, consisting of comments from many of Oak Hill’s residents and the Postal Service’s responses to customer feedback. Under these circumstances, criticism about the Postal Service’s failure to make an independent inquiry is simply not supported.

Petitioners also contend that the Postal Service has not adequately explored other available options, such as closing other surrounding Post Offices instead, and question the reasoning and supporting evidence behind the Postal Service’s decision to close the Oak Hill Post Office. See Participant Statement. In this case, the discontinuance study was prompted by a postmaster vacancy. FD at 2; Item No. 33, Proposal, at 2. Under Handbook PO-101, which was in effect at the time this discontinuance study commenced, a postmaster vacancy was (and still is) a factor that could be used to justify the initiation of a discontinuance study. See former Handbook PO-101 section 213.1. Moreover, the Petitioners’ suggestion that Pine Apple Post Office be discontinued in lieu of the Post Office in Oak Hill is not germane to the discontinuance study at issue in this appeal. Any action to discontinue the Pine Apple Post Office, or any other post office, would have to proceed on its own merits, and be analyzed under the criteria of 39 U.S.C. § 404(d).



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**Conclusion**

As reflected throughout the administrative record, the Postal Service has followed the proper procedures and carefully considered the effect of closing the Oak Hill Post Office on the provision of postal services and on the Oak Hill community, as well as the economic savings that would result from the proposed closing, the effect on postal employees, and other factors consistent with the mandate of 39 U.S.C. § 404(d)(2)(A).

After taking all factors into consideration, the Postal Service determined that the advantages of discontinuance outweigh the disadvantages. In addition, the Postal Service concluded that after the discontinuance, the Postal Service will continue to provide effective and regular service to Oak Hill customers. FD at 13. The Postal Service respectfully submits that this conclusion is consistent with and supported by the administrative record and is in accord with the policies stated in 39 U.S.C. § 404(d)(2)(A). The Postal Service's decision to close the Oak Hill Post Office should, accordingly, be affirmed. The Postal Service respectfully requests that the determination to close the Oak Hill Post Office be affirmed

Respectfully submitted,

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